



July 29, 2004

Jeff S. Jordan
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: MUR 5485

Dear Sir or Madam,

As I have informed the entity that published the article you enclosed with your complaint letter, my company did not program our SmarterChild entity to oppose or favor any political candidate.

The accurate story (which I told the reporter when she asked, but failed to report it as she was told) is as follows:

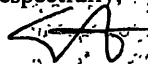
SmarterChild has been programmed to form opinions based on the aggregate opinions of its users. If a certain number of users express a favorable opinion on a subject (e.g., "I like ham," "I think ham is good," "Ham is wonderful!" etc.) and the number of favorable opinions significantly outweigh the number of unfavorable opinions on the subject ("ham is lousy," "I don't like ham," etc.) then SmarterChild takes on the opinion of the majority (in this case, SmarterChild would tell you that it liked ham). We have an extensive list of opinions that are taboo for SmarterChild to form and other opinions that are programmed explicitly into SmarterChild. For example, SmarterChild has no opinions on profane or sex-related subjects but doesn't like drugs and terrorism.

Many users have expressed opinions to SmarterChild about George W. Bush. The preponderance of those opinions were negative, so for a short time SmarterChild informed users that it did not like George W. Bush when asked its opinion. The management of Conversagent did not feel that this was appropriate, so we changed the program and blocked SmarterChild from having negative opinions about George W. Bush. But we did not prohibit SmarterChild from expressing the aggregate opinion of its users in favor of John Kerry. When users attempted to send anti-Bush comments to SmarterChild, rather than agree with them and reveal the aggregate users' anti-Bush bias, we instead revealed the users' pro-Kerry bias. A week ago, because of a number of e-mails we received from people who believe SmarterChild should remain politically neutral, we changed SmarterChild to have no opinion regarding either presidential candidate.

I hope this clarifies the matter. The enclosed email copies reflect my correspondence with the author of the article and a gentleman whom I believe to be an editor at csnnnews.

Thank you.

Respectfully,


Stephen D. Klein
CEO

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

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Stephen Klein

From: Stephen Klein [steve@conversagent.com]
Sent: Thursday, July 29, 2004 4:36 PM
To: 'rizzoni'
Cc: 'dthibault@cnsnews.com'
Subject: RE: cns story

Ms. Rizzoni,

As I told you. ALL of SmarterChild's opinions are formed by the aggregate opinions of its users. And I informed you that SmarterChild's **users** originally expressed an overwhelming (for SmarterChild to form/mimic an opinion either way it must see a 60/40 opinion slant from its users) anti-Bush attitude. When we saw this anti-Bush behavior pop up we rapidly (within a week) changed SmarterChild to respond that it was neutral re Bush (we didn't think it appropriate that SmarterChild not like the president). But we did NOT program SmarterChild not to favor Kerry--as the aggregate user opinions caused it to do. Perhaps our only error was in softening the anti-Bush rhetoric and having SmarterChild reveal its users' Kerry-favoritism when users tried to anti-Bush bait it in conversation.

Your inaccuracy--not reporting the above as I explained it to you, but instead making the article read as if my company programmed SmarterChild to oppose Bush--caused this small business and my reputation irreparable harm evidenced by the loathsome email we received from the readers of your reporting.

I would prefer that you feature no further reporting on this matter as I believe it is best left in the past. We dealt with the ill-informed email senders in a polite way (see www.smarterchild.com/politics.html) for the full explanation we posted to correct your error) and would rather not be troubled with any further communication with the public regarding this matter.

Sincerely,
Stephen Klein
CEO
Conversagent, Inc.

From: rizzoni [mailto:rizzoni@ciusa.net]
Sent: Thursday, July 29, 2004 3:52 PM
To: steve@conversagent.com
Subject: cns story

Dear Mr. Klein:

It has come to my attention that you are disputing part of my story "AOL Robot a Bush Basher." According to memory, as well as the notes I took during our telephone interview, I have you saying that the robot was "originally anti-Bush" (I took this to mean when it was first created), but then was programmed to "mimic the behavior of users."

Perhaps I misunderstood what you meant by "originally anti-Bush?" It is important to me to clear up any misunderstandings as I take great pride in my ethics and truthfulness in my reporting. I look forward to your response.

Sincerely,
Dawn Rizzoni

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7/29/2004

Stephen Klein

From: David Thibault [dthibault@cnsnews.com]

Sent: Monday, July 26, 2004 5:20 PM

To: steve@conversagent.com

Subject: Re: mis-represented in ARTICLE

Mr. Klein ...

I am in receipt of your email demanding a correction. I have looked into this matter but am awaiting more feedback from the author of the article before I can issue an adequate response. However, rest assured, you will receive a full and appropriate redress of your complaint.

David Thibault
Managing Editor, CNSNews.com

----- Original Message -----

From: Stephen Klein

To: letters@cnsnews.com

Sent: Thursday, July 15, 2004 1:07 PM

Subject: mis-represented in ARTICLE

I spoke to your reporter last Friday and NEVER told her that SmarterChild was programmed to oppose Bush.

What I told her was that the SmarterChild program formed opinions based on aggregate opinions of its users...and its users caused it to oppose Bush based on a preponderance of users expressing negative opinions about Bush.

Please correct your reporters accusations immediately. We did NOT program SmarterChild to oppose Bush and your reporter was informed of this.

Respectfully,
Stephen D. Klein
GEO
Conversagent, Inc.

Incoming mail is certified Virus Free.

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7/29/2004